



# POSTAL NEWS

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## **BOARD OKS FILING FOR PARCEL RETURN RATE**

CHICAGO, IL – The Postal Service may soon be able to offer reduced rates for shippers participating in a new consumer-to-business parcel return service. The Postal Service Board of Governors, at its regular monthly meeting, authorized a filing with the Postal Rate Commission to seek an experimental classification for Parcel Return Services. The new service would apply to merchandise that is being returned by a consumer to a merchant.

The merchant, or an agent on the merchant's behalf, would pick up the returned parcels at a designated postal facility, and pay the applicable postage. The prices for the new service would recognize the savings that are generated by the worksharing efforts of the merchant.

In other business, the Board approved funding for a capital investment initiative to upgrade the mail processing computer networks at 62 postal mail processing facilities. Senior Vice President, Intelligent Mail and Address Quality, Charles Bravo requested funding for the first phase of the nationwide program to install modern, high-speed fiber-optic wiring to transmit data between automated processing equipment and computer systems. A contract is expected to be awarded in June, with installation to be completed by May, 2004.

In addition, the Board approved funding to purchase 6,240 vehicles for delivery operations. This acquisition supports an early delivery on a commitment to the National Rural Letter Carriers Association to provide additional postal vehicles for rural routes. Although rural carriers have traditionally used their own vehicles to deliver the mail, the difficulty of finding right-hand drive vehicles with adequate cargo capacity is a growing problem that can affect reliable service and employee satisfaction.

Postmaster General John Potter welcomed James C. Miller III to the Board, as the newest Governor appointed by President Bush. Miller is a senior fellow at the Hoover Institution at Stanford University and served previously as Director of the Office of Management and Budget and Chairman of the Federal Trade Commission.

Potter praised the unified effort that led to the passage of legislation that changes the funding formula regulating how the Postal Service pays into the Civil Service Retirement System (CSRS).

“The entire mailing industry came together to support passage of the CSRS legislation,” Potter remarked. “It was an unprecedented, cooperative effort — an effort that I believe we can build on. My thanks to everyone.”